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UNITED STATES DISTRICT COURT EASTERN DISTRICT OF WASHINGTON

CHARLES M. WOODS,

Plaintiff,

v.

CONAGRA FOODS LAMB WESTON,

Defendant.

No. 4:15-cv-05067-SAB

ORDER DENYING

DEFENDANT'S 12(b)(6)

MOTION TO DISMISS

Before the Court is Defendant's 12(b)(6) motion to dismiss, ECF No. 4. 16 Also pending are Defendant's motion to strike Plaintiff's declaration in support of the amended complaint, ECF No. 10; Defendant's motion to expedite the motion 18 to strike, ECF No. 11; and Plaintiff's motion for oral argument on the motion to 19 dismiss and to expedite, ECF No. 13. For the reasons set forth below, the Court denies Defendant's motion to dismiss; because this Order is based on the Amended Complaint, the other pending motions are **denied as moot.**

STANDARD

Rule 12(b)(6) permits dismissal for failure to state a claim upon which relief can be granted. Under ordinary liberal pleading standards, a plaintiff need only plead sufficient facts which, if taken as true, allow the Court to draw reasonable 26 inferences that a plausible ground for relief exists. *Harris v. Cnty. of Orange*, 682 27 F.3d 1126, 1131 (9th Cir. 2012) (citing Ashcroft v. Igbal, 556 U.S. 662, 678 28 (2009)). Rule 12(b)(6) dismissal is "appropriate only where the complaint lacks a

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cognizable legal theory or sufficient facts to support a cognizable legal theory." Mendiondo v. Centinela Hosp. Med. Ctr., 521 F.3d 1097, 1104 (9th Cir. 2008).

To sufficiently state a claim for relief and survive a Rule 12(b)(6) motion, a complaint does not need detailed factual allegations but it must provide more than 5 a "formulaic recitation of the elements of a cause of action." Bell Atl. Corp. v. 6 Twombly, 550 U.S. 544, 555 (2007). The factual allegations must be enough to raise a right to relief above the speculative level. *Id.* When considering a motion to dismiss, a court must accept as true all "well-pleaded factual allegations." *Iqbal*, 556 U.S. at 678.

AMENDED COMPLAINT

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In considering the 12(b)(6) motion to dismiss, the Court takes the following facts solely from the amended complaint and the incorporated contract. 12

Plaintiff Charles Woods, a potato farmer, was approached by Agricultural Specialist Doug Myers and Manager of Agriculture Wade Rehberg, two employees of ConAgra Lamb Weston, in June 2014. Mr. Rehberg and Mr. Myers 16 presented him with a contract to sell to ConAgra 12,335 tons of potatoes for 17|| \$150.00 per ton. The Plaintiff believed that Mr. Rehberg and Mr. Myers had the 18 authority to create contracts on behalf of ConAgra Lamb Weston. Both employees 19 of ConAgra Lamb Weston signed or initialed the written contract, which specifies 20 the goods to be sold, the quantity, the price per ton of potatoes, and various terms and conditions. Plaintiff's name is printed on the first page. ConAgra Lamb 22 Weston's name appears on the contract's letterhead. There are blank spaces for "Buyer" and "Seller" to sign. Adjacent there are four lines, under the heading "Reviewed by: (Initial)." Under each line are printed titles reserved for various ConAgra officials, including the titles of Mr. Rehberg and Mr. Myers. Mr. Rehberg and Mr. Myers' initials or signatures appear in their respective spaces.

Plaintiff states that in agreeing to sell his potatoes to Defendant ConAgra 28 Lamb Weston, he ended a long term relationship with Heinz Agriculture. Later,

ORDER DENYING DEFENDANT'S 12(b)(6) MOTION TO DISMISS ^ 2

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Mr. Myers called Plaintiff to confirm the location of the potato fields, and Plaintiff drove Mr. Myers to Plaintiff's growing locations to identify the acres that would grow the potatoes under contract. Plaintiff proceeded to raise the crop.

On August 7, 2014, Plaintiff received a call from David Smith, Defendant's Senior Director of Agricultural Services, asking to execute a new agreement with a lower price and to be released from the earlier agreement. Plaintiff refused, and Defendant refused to pay Plaintiff.

ANALYSIS

The Court finds that Plaintiff has sufficiently alleged the existence of a 10 contract. According to Washington law, the essential elements of any contract in writing includes subject matter, parties, a promise, terms and conditions, and price or consideration. DePhillips v. Zolt Constr. Co., 136 Wn. 2d 26, 31 (1998). The 13 contract attached to the amended complaint includes all of these elements. The 14 contract identifies both parties and sets out a deal to sell a quantity of potatoes for 15 a set price and contains many pages of terms and conditions.

In Washington, "a breach of contract is actionable only if the contract 17 imposes a duty, the duty is breached, and the breach proximately causes damage to 18 the claimant." Nw. Indep. Forest Mfrs. v. Dep't of Labor & Indus., 78 Wn. App. 19 707, 712 (1995). Plaintiff states that Defendant refused to pay, and that Plaintiff 20 suffered damages as a result of the refusal. This is specific enough to make the claim plausible. Based on the above facts, the Court also finds the Plaintiff sufficiently pled a claim for promissory estoppel. See Becker v. Wash. State Univ., 165 Wn. App. 235, 249 (2011).

The major point of contention in this motion is whether the alleged writing satisfies the statute of frauds. Defendant argues that because the spaces of the form contract marked as "Buyer" and "Seller" are blank, and because the only signatures on the form are in a column marked clearly as "Reviewed by:", there is 28 no reasonable way to interpret the contract as bearing sufficient intent to bind

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ConAgra Lamb Weston. Thus to Defendant, the statute of frauds is unsatisfied and the claims should be dismissed as a matter of law. See RCW § 62A.2-201. Plaintiff argues the signatures, markings, or initials of Defendant's agents are sufficient.

The Court agrees with the Plaintiff. The marks of two of Defendant's agents "afford a basis for believing that the offered oral evidence rests on a real 6 transaction," RCW § 62A.2-201 comment 1, and provide a competing reasonable 7 interpretation of the creation of a contract. See Lonneker v. United States, No. C-8 89-723-RJM, 1991 WL 180633, at *3 (E.D. Wash. June 17, 1991) ("In . . . commercial dealings, the concept of a signature is broad in the extreme."). The 10 Plaintiff has clearly and adequately stated a claim for which relief can be granted.

Accordingly, IT IS HEREBY ORDERED:

- 1. Defendant's motion to dismiss, ECF No. 4, is **DENIED.**
- 2. Defendant's motion to strike Plaintiff's Declaration by Charles M. Wood, ECF No. 10, is **DENIED AS MOOT.**
- 3. Defendant's motion to expedite the motion to strike, ECF No. 11, and Plaintiff's motion for oral argument on the motion to dismiss and to expedite, ECF No. 13, are **DENIED**.

IT IS SO ORDERED. The District Court Executive is hereby directed to 19 file this Order and provide copies to counsel.

DATED this 4th day of September, 2015.



Stanley A. Bastian

United States District Judge